

AMENDED IN SENATE AUGUST 24, 2000

AMENDED IN SENATE AUGUST 25, 1999

AMENDED IN SENATE JUNE 28, 1999

AMENDED IN ASSEMBLY MAY 28, 1999

AMENDED IN ASSEMBLY APRIL 27, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

## ASSEMBLY BILL

**No. 715**

**Introduced by Assembly Member Firebaugh**

February 24, 1999

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~~An act to add Sections 14087.326 and 14087.327 to the Welfare and Institutions Code, relating to social services. An act to amend Sections 12512, 12520, and 12544 of the Government Code, and to amend Section 13023 of the Penal Code, relating to the Attorney General.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 715, as amended, Firebaugh. ~~Medi-Cal: contracts for services and case management—Attorney General duties: criminal information reporting.~~

(1) Existing law requires the Attorney General to prosecute and defend all causes to which the state or state officers in their official capacities are parties, as well as all causes to which any county is a party, unless the interest of the county is adverse to the state or state officers in their official capacities.

*This bill would repeal the above-described provisions regarding the prosecution and defense of causes to which any county is a party.*

*(2) Existing law prohibits the Attorney General from employing special counsel, except when those cases concern escheated property and the supervision of district attorneys.*

*This bill would provide that this prohibition does not affect the right of the Attorney General to employ counsel to represent or assist in the representation of a state agency, as defined, or a state employee if the representation meets specified standards.*

*(3) Existing law provides that, if an escheat proceeding is prosecuted by the regular staff of the Attorney General's office, the Attorney General shall recover the costs and charges of commencing and filing a suit to recover escheated property from the escheated funds, by presenting a claim.*

*This bill would repeal the requirement that the action be prosecuted by the regular staff of the Attorney General's office, and make other technical changes.*

*(4) Existing law requires the Attorney General to direct local law enforcement agencies to report to the Department of Justice, information that may be required relative to criminal acts or attempted criminal acts to cause physical injury, emotional suffering, or property damage where there is reasonable cause to believe that the crime was motivated, in whole or in part, by the victim's race, ethnicity, religion, gender, sexual orientation, or physical or mental disability.*

*This bill would add national origin to the list of victim characteristics in this reporting requirement. By increasing the reporting duties of local officials, this bill would impose a state-mandated local program.*

*(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.*



*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

~~Existing law requires the State Department of Health Services to administer a program to ensure that total payments to federally qualified health centers and rural health clinics operating as managed care subcontractors comply with applicable federal law regarding reasonable cost reimbursement for services provided by those entities.~~

~~Existing federal law requires states to reimburse all federally qualified health centers and rural health clinics based on 100% of the reasonable cost for the delivery of medicaid services through fiscal year 1999 and authorizes, commencing in fiscal year 2000, states to reduce cost reimbursement by an incremental percentage each year until October 1, 2003, when the cost reimbursement provisions are repealed.~~

~~This bill would require the department to provide reimbursement based on 100% of the reasonable cost for all rural health clinic services and federally qualified health services and any other ambulatory services that are offered by a rural health clinic or a federally qualified health center and which are otherwise included in the state plan for medical assistance.~~

~~This bill would provide that it shall not require the state to assume the federal share of reimbursement for federally qualified health centers and rural health clinics if federal financial participation is reduced or terminated after the effective date of the bill.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~no~~ yes.

*The people of the State of California do enact as follows:*

- 1 ~~SECTION 1. Section 14087.326 is added to the~~
- 2 *SECTION 1. Section 12512 of the Government Code*
- 3 *is amended to read:*
- 4 12512. The Attorney General shall attend the
- 5 Supreme Court and prosecute or defend all causes to



1 which the State, or any State officer is a party in his or her  
2 official capacity; ~~and all causes to which any county is a~~  
3 ~~party, unless the interest of the county is adverse to the~~  
4 ~~State, or some State officer acting in his official capacity.~~

5 *SEC. 2. Section 12520 of the Government Code is*  
6 *amended to read:*

7 12520. (a) The Attorney General ~~shall~~ may not  
8 employ special counsel in any case except pursuant to  
9 either of the following:

10 ~~(a)~~

11 (1) Article 3 (commencing with Section 12540).

12 ~~(b)~~

13 (2) Article 4 (commencing with Section 12550).

14 (b) *Subdivision (a) does not affect the right of the*  
15 *Attorney General to employ counsel to represent, or to*  
16 *assist in the representation of, a state agency as defined*  
17 *in Section 11000, including the Attorney General or the*  
18 *Department of Justice, or to represent a state employee*  
19 *if that representation meets any of the standards set forth*  
20 *in paragraph (3), (5), (7), (8), (9), or (10) of subdivision*  
21 *(b) of Section 19130.*

22 *SEC. 3. Section 12544 of the Government Code is*  
23 *amended to read:*

24 12544. If an escheat proceeding is prosecuted by the  
25 ~~regular~~ staff of the Attorney General's office, the  
26 Attorney General shall recover, by presenting a claim to  
27 the Controller, all costs and charges of commencing and  
28 prosecuting the suit, from the funds so escheated. ~~Such~~  
29 ~~Those~~ claims shall be paid from the ~~estates of Deceased~~  
30 ~~Persons Abandoned Property Account in the Unclaimed~~  
31 ~~Property~~ Fund and credited to and in augmentation of  
32 any support appropriation of the Attorney General. The  
33 costs and charges ~~shall~~ may not in any case exceed 10 per  
34 cent of the sum or sums actually escheated to the State in  
35 ~~such~~ those suits.

36 *SEC. 4. Section 13023 of the Penal Code is amended*  
37 *to read:*

38 13023. Commencing July 1, 1990, subject to the  
39 availability of adequate funding, the Attorney General  
40 shall direct local law enforcement agencies to report to

the Department of Justice, in a manner to be prescribed by the Attorney General, any information that may be required relative to any criminal acts or attempted criminal acts to cause physical injury, emotional suffering, or property damage where there is a reasonable cause to believe that the crime was motivated, in whole or in part, by the victim's race, ethnicity, religion, gender, sexual orientation, *national origin*, or physical or mental disability. On or before July 1, 1992, and every July 1 thereafter, the Department of Justice shall submit a report to the Legislature analyzing the results of the information obtained from local law enforcement agencies pursuant to this section.

*SEC. 5. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.*

~~Welfare and Institutions Code, to read:~~

~~14087.326. The Legislature finds and declares all of the following:~~

~~(a) Section 1396a(a)(13)(C) of Title 42 of the United States Code, as amended by Section 4712 of the federal Balanced Budget Act of 1997 (P.L. 105-33), requires states to reimburse all federally qualified health centers and rural health clinics based on 100 percent of the reasonable cost for the delivery of medicaid services through fiscal year 1999. Beginning in fiscal year 2000, states are allowed to reduce cost reimbursement by an incremental percentage each year until October 1, 2003, when the cost reimbursement provisions are repealed.~~

~~(b) Although California has consistently reimbursed federally qualified health centers and rural health clinics based on 100 percent of the reasonable cost for services, existing state law, prior to the enactment of this section~~

1 and Section 14087.327, has not required a 100 percent  
2 reimbursement rate.

3 (e) Medi-Cal reimbursement based on 100 percent of  
4 reasonable cost maximizes the state's share of federal  
5 funding and ensures that federally qualified health  
6 centers and rural health clinics can continue to serve at  
7 least 10 percent of California's seven million uninsured  
8 people, including children and the aged.

9 (d) In order to maximize federal financial  
10 participation and in order to ensure that federally  
11 qualified health centers and rural health clinics can  
12 continue to fulfill their vital role in providing health care  
13 to uninsured Californians, it is the intent of the  
14 Legislature to implement the federal law option to  
15 continue 100 percent reimbursement to federally  
16 qualified health centers and rural health clinics during  
17 and beyond the phaseout period.

18 SEC. 2. Section 14087.327 is added to the Welfare and  
19 Institutions Code, to read:

20 14087.327. (a) The department shall provide  
21 reimbursement based on 100 percent of the reasonable  
22 cost for rural health clinic services, as defined in Section  
23 1396d(l)(1) of Title 42 of the United States Code, and any  
24 other ambulatory services that are offered by a rural  
25 health clinic and that are otherwise included in the state  
26 plan for medical assistance.

27 (b) The department shall provide reimbursement  
28 based on 100 percent of the reasonable cost for federally  
29 qualified health center services, as defined in Section  
30 1396d(l)(2)(A) of Title 42 of the United States Code, and  
31 any other ambulatory services that are offered by a  
32 federally qualified health center and that are otherwise  
33 included in the state plan for medical assistance.

34 (c) "Federally qualified health center" shall have the  
35 same meaning as specified in Section 1396d(l)(2)(B) of  
36 Title 42 of the United States Code.

37 (d) The department shall provide reimbursement for  
38 services provided by federally qualified health centers  
39 and rural health clinics prior to October 1, 1999;

1 ~~consistent with Section 1396a(a)(13)(C) of Title 42 of the~~  
2 ~~United States Code.~~

3 ~~(e) The department shall reimburse for services~~  
4 ~~provided by federally qualified health centers and rural~~  
5 ~~health clinics on or after October 1, 1999, based on 100~~  
6 ~~percent of the reasonable cost.~~

7 ~~(f) The determination of all reasonable cost of~~  
8 ~~providing services to medicaid beneficiaries shall be~~  
9 ~~established by the department in conformance with~~  
10 ~~federal medicaid requirements and applicable limitations~~  
11 ~~permitted under Part 6 of the State Medicaid Manual of~~  
12 ~~the United States Department of Health Services, Health~~  
13 ~~Care Financing Administration (HCFA pub. 45-6).~~

14 ~~(g) This section shall not be construed to require the~~  
15 ~~state to assume the federal share of reimbursement for~~  
16 ~~federally qualified health centers and rural health clinics~~  
17 ~~if federal financial participation is reduced or terminated~~  
18 ~~after the effective date of this section.~~